IN THE HIGH COURT OF GUJARAT AT AHMEDABAD

COMPANY APPLICATION No. 198 of 2007

For Approval and Signature:

HONOURABLE MR.JUSTICE M.R. SHAH

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1 Whether Reporters of Local Papers may be allowed to see the judgment ?

2 To be referred to the Reporter or not ?

3 Whether their Lordships wish to see the fair copy of the judgment ?

4 Whether this case involves a substantial question of law as to the interpretation of the constitution of India, 1950 or any order made thereunder ?

5 Whether it is to be circulated to the civil judge ?

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KOJAM FININVEST LIMITED - Applicant(s)
Versus
. - Respondent(s)

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Appearance :
MRS SWATI SOPARKAR for Applicant(s) : 1,
None for Respondent(s) : 1,

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CORAM : HONOURABLE MR.JUSTICE M.R. SHAH

Date : 27/04/2007

ORAL JUDGMENT

Present Judges summons has been taken out by the applicant Kojam Finivest Ltd. (the transferor company)for seeking direction for convening the meeting of the equity shareholders of the applicant

company to approve the proposed scheme of amalgamation of the applicant company with Gujarat Glass Ltd. (the transferee company) as required to be held under the provisions of section 391(2) of the Companies Act, 1956. It has been submitted that since the registered office of the Transferee company is situate in Mumbai, the necessary proceedings have been taken out in the High Court of Judicature of Bombay.

2. Ms. Soparkar, learned advocate appearing on behalf of the applicant has drawn attention of the Court to the audited balance sheet of the applicant company as at 31-3-2006 at pages 17 (Annexure B to the application, internal page 26 of the Printed Balance Sheet) as well as Provisional Unaudited Balance Sheet of the applicant company as at 31-3-2007 at page 18 (Annexure C to the application) and has submitted that there are no secured and unsecured Loans or any other current liabilities of the applicant company. It is submitted that since there are no secured or unsecured creditors of the applicant company, their approval is not relevant in the present scheme.

3. Considering the application of the abovenamed company by summons dated 26-4-2007, upon hearing Smt. Swati Soparkar, learned advocate appearing on behalf of the applicant company and upon reading of the affidavit dated 24-4-2007 filed in support of the Judge's summons for directions and other relevant annexures attached in support of the contents of the affidavit filed by the deponent, it is ordered;

1. That separate meetings of the equity shareholders of the applicant company shall be convened and held at Gajera Road, Uchhad village, Jambusar, Dist: Bharuch – 392 150, in the State of Gujarat on Monday, the 4th day of June 2007 at 2:00 p.m. for the purpose of considering and, if thought fit, approving, with or without modification(s), the proposed Scheme of Arrangement in the nature of amalgamation of the applicant company with Gujarat Glass Ltd. (the transferee company)

2 That at least 21 clear days before the meeting be held as aforesaid, Notice convening the said meetings, indicating the day, the date, the place and the time as aforesaid, together with a copy of the Scheme of Arrangement, copy of the Explanatory Statement required to be sent under Section 393 of the Companies Act, 1956 and the prescribed Form of Proxy shall be sent by a prepaid letter posted under Certificate of Posting, addressed to each of the equity shareholders of the applicant company, at their last known address.

3. That at least 21 clear days before the meetings to be held as aforesaid, Notice convening the said meetings indicating the day, the date, the place and time as

aforesaid be published, stating that copies of the Scheme of Amalgamation, the Explanatory Statement required to be furnished pursuant to Section 393 of the Companies Act, 1956 and Form of Proxy can be obtained free of charge at the Registered Office of the applicant company and/or at its Advocate's office Smt. Swati Soparkar, 204, Akanksha, Opp-Vadilal House, Mithakhali, Navrangpura, Ahmedabad 380 009 once each in “Indian Express”, English daily and “Gujarat Samachar”, Gujarati daily both Vadodara editions.

4. Mr. Ajay Piramal, Chairman of the applicant company and failing him Mr. N. Santhanam, Director of the applicant company and failing him Mr. N.L. Bhatia, director of the applicant company shall be the Chairman of the aforesaid meetings to be held on 4th June, 2007 and in respect of any adjournment or adjournments thereof.

5. That the Chairman appointed for the aforesaid meetings do issue advertisements and send out notices of the said meetings referred to above. It is further directed that the Chairman of the meetings shall have all powers under Articles of Association of the applicant company and under the Companies (Court) Rules, 1959 in relation to

conduct of meeting including an amendment to the scheme of resolution, if any, proposed at the meeting by any person(s) and to ascertain the decision of the meeting on a poll.

6. That the quorum for the meetings of the secured creditors shall be 5(five) members present in person or as a proxy.

7. That voting by proxy is permitted provided that the proxy in the prescribed form and duly singed by the person entitled to attend and vote at the aforesaid meetings, or by his authorised representative, is filed with the applicant company at its registered office at Ahmedabad, not later than 48 hours before the said meetings.

8. That the value of the vote of each equity shareholders of the company shall be as per the records and registers of the company and where the entries in the records or registers are disputed, the Chairman of the meetings shall determine the value or number for the purposes of the meetings and his decision in that behalf would be final.

9. That the Chairman do report to this court, the result of the said meetings within 14 days of the conclusion of the meetings and

the said report shall be verified by his affidavit.

4. This application is accordingly disposed of. No costs.

(M.R. SHAH, J.)

shekhar/-